

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 450

March 22, 2013

SUMMARY OF BILL: Prohibits race, ethnicity, and gender from being considered as factors when determining the recipient of a state-funded purchase order, contract, or grant unless required by the Tennessee or United States Constitutions or a federal law that preempts state law. Terminates the Advisory Committee on Women's Health, currently scheduled to be terminated on June 30, 2015. Deletes the Office of Minority Health Act of 2004 from statute.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact – The Tennessee Office of Minority Health and Disparities Elimination currently receives an annual partnership grant from the federal government in the amount of \$130,000. If the Office loses its formal designation in statute, the federal grant funding may be jeopardized.

Assumptions:

- According to the Department of Health, the Office of Minority Health and Disparities Elimination (OMHDE) has existed in the Department since 1994. When it was formally codified in 2004, it was created from existing resources.
- According to the Department, the removing the *Office of Minority Health Act of 2004* from Tennessee Code Annotated will not terminate the OMHDE. The Office will continue to operate as its current level; therefore, the elimination of the Act from code will not result in any personnel or fiscal reductions to the Department.
- OMHDE currently receives a partnership grant to improve minority health from the federal Office of Minority Health of \$130,000 annually. Losing its formal designation in statute could result in the office no longer receiving any federal grant funds.
- According to the Department of Health, the Advisory Committee on Women's Health has not met in several years and has not incurred any expenditure. The Committee did not collect any fees or receive any appropriations.
- As a result, there will be no fiscal impact for terminating this entity.
- According to Treasury, Tenn. Code Ann. § 65-5-113, requires the Department to administer and promulgate rules relative to the small and minority-owned business assistance program (SMOB) that is designed to provide loans, loan guarantees, technical assistance, consulting, and educational services to small and minority-owned businesses.

The proposed bill would authorize, rather than require, the Department to continue to administer the SMOB program as it currently does.

- According to the Tennessee Student Assistance Corporation (TSAC), the proposed bill allows TSAC to continue to award the Tennessee Teaching Scholars Program without consideration of race. Additionally, it requires TSAC to make awards for the Minority Teaching Fellows Program without consideration to minority status. Both programs will continue at the same level of funding.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" and last name "Geise" clearly distinguishable.

Lucian D. Geise, Executive Director

/lsc